

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	:	
	:	<b>Chapter 11</b>
<b>SEARS HOLDINGS CORPORATION, <i>et al.</i>,</b>	:	
	:	<b>Case No. 18-23538 (RDD)</b>
	:	<b>(Jointly Administered)</b>
<b>Debtors.<sup>1</sup></b>	:	
-----	X	<b>Re: Docket No. 1498</b>

**SUPPLEMENTAL AFFIDAVIT AND DISCLOSURE STATEMENT  
OF JOANNE SEMEISTER, ON BEHALF OF  
MONTGOMERY MCCrackEN WALKER & RHOADS LLP**

STATE OF PENNSYLVANIA	)	
	)	ss:
COUNTY OF PHILADELPHIA	)	

Joanne Semeister, being duly sworn, upon his oath, deposes and says as follows (the

**“Supplemental Affidavit and Disclosure”):**

1. I am a partner of Montgomery McCracken Walker & Rhoads LLP, located at  
1735 Market Street, Philadelphia, PA 19103 (the “**Firm**”).

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

2. Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), previously requested that the Firm provide legal services to the Debtors as an ordinary course professional.

3. On December 28, 2018, I executed the *Affidavit and Disclosure Statement of Joanne Semeister, On Behalf of Montgomery McCracken Walker & Rhoads LLP* (the “**Original OCP Affidavit and Disclosure**”). On January 4, 2019, the Debtors filed their *Notice Of Filing Of Supplemental Ordinary Course Professionals List* (Docket No. 1498), attached to which at pages 77-82 was the Original OCP Affidavit and Disclosure.

4. In the Original OCP Affidavit and Disclosure, I disclosed that:

(a) the “Services” to be rendered to the Debtors include, but are not limited to, providing “real estate legal advice as local counsel for Pennsylvania” *Original OCP Affidavit and Disclosure* at ¶ 3,

(b) “[t]he Firm may have performed services in the past and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in the Debtors’ chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be claimants or employees of the Debtors, or other parties in interest in these chapter 11 cases. The Firm does not have any relationship with any such person, such person’s attorneys, or such person’s accountants that would be adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained. The Firm currently represents creditors New View Gifts & Accessories, Ltd.; Trustee of Hanjin Shipping and Verifone (also a vendor) in these chapter 11 cases in matters which are unrelated to the Services to be provided to the Debtors. The Firm may, in the future, represent creditors of the Debtors in matters unrelated to the aforementioned Services to be provided to the Debtors” *Original OCP Affidavit and Disclosure* at ¶ 4,

(c) “[n]either I nor any principal of, or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest materially adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained” *Original OCP Affidavit and Disclosure* at ¶ 6, and

(d) “[t]he Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of this inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Affidavit” *Original OCP Affidavit and Disclosure* at ¶ 7.

5. On or about June 4, 2019, several attorneys joined the Firm who had previously represented and continue to represent certain additional entities that are parties in interest in the Debtors' bankruptcy cases, in matters which are unrelated to the Services to be provided to the Debtors. Those attorneys and those clients are as follows:

Maura I. Russell, Esq.

Casio America Inc. (creditor)

Gilbert R. Saydah Jr., Esq.

Bradshaw Westwood Trust (landlord)

RREEF America REIT II Portfolio L.P. (landlord)

Edward L. Schnitzer, Esq.

Sakar International Inc. (creditor)

Giza Spinning & Weaving Co. (creditor)

BST International Fashion Ltd. (creditor)

The Moret Group (creditor)

Hankook Tire America Corp. (creditor)

A&A (H.K.) Industrial Limited (creditor)

Estates of Brenna N. Africa and McKenzie Molinaro (personal injury creditors seeking stay relief)

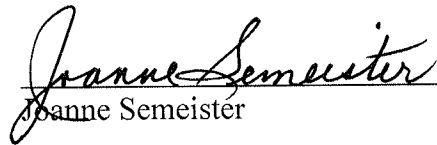
Crossroads Mall, LLC (landlord)

With respect to each of the landlords identified above, none of the subject properties are located in Pennsylvania.


6. Subject to the additional client disclosures set forth in this Supplemental Affidavit and Disclosure, the disclosures and statements made in the *Original OCP Affidavit and Disclosure* remain true and correct, including that (a) neither I, nor any principal of, or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than principals and regular employees of the Firm, (b) neither I nor any principal of, or professional employed by the

Firm, insofar as I have been able to ascertain, holds or represents any interest materially adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained, and (c) that at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will further supplement the information contained in the Original OCP Affidavit and Disclosure and this Supplemental Affidavit and Disclosure.

Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge information and belief, and that this Supplemental Affidavit and Disclosure was executed in Philadelphia, Pennsylvania on June 28, 2019.

  
Joanne Semeister

SWORN TO AND SUBSCRIBED before me  
this 28<sup>th</sup> day of June 2019

  
Notary Public

